

WORKSHEET — TIME-SHARE (*In-State*)

RE 622B (Rev. 6/94)

REPORT DUE DATE

REPORT TO BE:

☐ MAILED☐ PICKED UP AT COUNTER BY:

DEPUTY INITIALS: _____

DEPUTY EMPLOYEE NUMBER: _____

APPLICANT'S NAME(S)

TRACT NUMBER

NAME OF TRACT

COUNTY

TYPE OF REPORT

☐ PRELIMINARY☐ AMENDED☐ FINAL☐ CONDITIONAL☐ TIME SHARE USE☐ TIME SHARE ESTATE☐ CONVERSION☐ RENEWED☐ OTHER:

FILE NUMBER

ISSUED

AMENDED

EXPIRES

Completion Instructions

- A ♦ indicates instructions to the person completing this form.
- Check the ☐ at the beginning of the sentence or paragraphs if the sentence or paragraph(s) should be included in the preliminary or final public report.
- When there are variables within a sentence check the appropriate ☐ to make the sentence accurate and complete.
- Complete blank lines when appropriate.

PRELIMINARY PUBLIC REPORT STATEMENTS

❖ *Use the following statements for all preliminary public reports.*

- ☐ THE SUBDIVIDER HAS NOT YET EFFECTED COMPLIANCE WITH ALL REQUIREMENTS OF LAW AND THE COMMISSIONER'S REGULATIONS FOR A FINAL PUBLIC REPORT ON THIS TIME SHARE PROJECT. THE TIME SHARE PROJECT OFFERING IS NOW INCOMPLETE AND ADDITIONAL INFORMATION AND DOCUMENTATION MUST BE FURNISHED TO THE DEPARTMENT OF REAL ESTATE BEFORE THE TIME SHARE QUALIFIES FOR A FINAL PUBLIC REPORT.

THE FINAL PUBLIC REPORT WILL CONTAIN CONSIDERABLY MORE INFORMATION ABOUT THE TIME SHARE THAN IS CONTAINED IN THIS PRELIMINARY PUBLIC REPORT. IF YOU MAKE A RESERVATION AND DEPOSIT UNDER AUTHORITY OF THIS PRELIMINARY PUBLIC REPORT, YOU ARE URGED TO READ THE FINAL PUBLIC REPORT VERY CAREFULLY BEFORE ENTERING INTO A CONTRACT TO PURCHASE.

SPECIAL NOTE(S)

❖ *Use the following if a Preliminary Public Report has been issued for this file.*

- ☐ AS A GENERAL RULE, A SPONSOR'S PROMOTIONAL AND MARKETING COSTS IN A TIME SHARE OFFERING CONSTITUTE A MAJOR PORTION OF THE PURCHASE PRICE. SHOULD YOU PURCHASE A TIME SHARE INTEREST, YOU MAY FIND IT DIFFICULT TO RESELL YOUR TIME SHARE INTEREST WITHOUT THE USE OF AN EXTENSIVE PROMOTIONAL AND ADVERTISING CAMPAIGN OR USE OF A SALES ORGANIZATION.
- ☐ IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS TIME SHARE PROJECT, YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND PROBABLY DIFFERENT FROM THAT INCLUDED IN THE PRELIMINARY REPORT.
- ☐ YOU ARE URGED TO VISIT AND INSPECT THE PROJECT BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE. YOU SHOULD DETERMINE FOR YOURSELF THAT THE PROPERTY MEETS YOUR PERSONAL REQUIREMENTS AND EXPECTATIONS. MISUNDERSTANDINGS MORE EASILY ARISE AS TO THE DESIRABILITY OF THE PROPERTY WHEN THIS IS NOT DONE.
- ☐ EXCHANGE PARTICIPATION PROGRAM: UNDER AN AGREEMENT BETWEEN THE SPONSOR OF THIS PROJECT AND _____, HEREAFTER REFERRED TO AS _____, YOU, A TIME SHARE INTEREST OWNER (OWNER) IN THIS PROJECT, MAY EXCHANGE YOUR USE PRIVILEGES IN THIS PROJECT FOR COMPARABLE USE PRIVILEGES IN OTHER PROJECTS IN THE _____ PROGRAM. TO MAINTAIN THIS EXCHANGE RIGHT, AN OWNER MUST PAY AN ANNUAL MEMBERSHIP FEE OF \$ _____ AND AN ADDITIONAL FEE OF \$ _____ EACH TIME A RESERVATION IS MADE IN ANOTHER PROJECT IN THE PROGRAM.
- ☐ SPONSOR WILL PAY YOUR MEMBERSHIP FEE FOR _____ YEAR(S).

IF THE EXISTENCE OF THIS EXCHANGE PROGRAM IS A SIGNIFICANT FACTOR IN YOUR DECISION TO PURCHASE A TIME SHARE INTEREST IN THIS PROJECT, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING BEFORE YOU MAKE YOUR DECISION:

- A. YOU HAVE NO ASSURANCE THAT _____ WILL BE ABLE TO PROVIDE YOU WITH AN ACCOMMODATION THAT MEETS YOUR NEEDS AND DESIRES WHEN YOU WANT IT OR AT ANY TIME. THE MOST DESIRABLE LOCATIONS AND THE MOST POPULAR TIMES FOR USE OF UNITS IN OTHER PROJECTS IN THE PROGRAM WILL PROBABLY BE THE FIRST TO BE RESERVED BY PERSONS LIKE YOU WHO ARE ELIGIBLE TO EXCHANGE.
- B. YOU HAVE NO ASSURANCE THAT THIS PROJECT WILL STILL BE AFFILIATED WITH THE _____ PROGRAM WHEN YOU DESIRE TO EXERCISE EXCHANGE PRIVILEGES. THE CURRENT CONTRACT BETWEEN THE SPONSOR OF THE PROJECT AND _____ EXPIRES _____ WITH A RIGHT TO RENEW FOR _____ YEARS. IF IT IS NOT RENEWED, YOU AS AN INDIVIDUAL OWNER MAY NOT BE ELIGIBLE TO PARTICIPATE IN THE (_____) EXCHANGE PROGRAM, MOREOVER, _____ CAN TERMINATE THE AFFILIATION OF THIS PROJECT IF THERE IS A BREACH OF THE AGREEMENT BETWEEN THE SPONSOR AND _____.
- C. THE _____ RULES SPECIFICALLY STATE THAT "EXCHANGE ACCOMMODATION" RECEIVED WILL NOT NECESSARILY BE COMPARABLE IN SIZE, LAYOUT, FURNISHINGS, OR AMENITIES TO THE ACCOMMODATIONS IN THIS PROJECT. FOR ADDITIONAL INFORMATION CONCERNING THESE AND OTHER RESTRICTIONS OR EXCHANGES, YOU SHOULD OBTAIN A FACT SHEET FROM THE SPONSOR OR FROM _____.
- D. _____ IS AN INDEPENDENT CONTRACTOR UNRELATED TO THE SPONSOR. THE CONTINUING EXISTENCE OF _____ CANNOT BE ASSURED.

- ☐ IF YOU PURCHASE TWELVE OR MORE TIME SHARE INTERESTS FROM THE SPONSOR, THE SPONSOR IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS, YOU ARE REQUIRED TO OBTAIN AN AMENDED TIME SHARE PROJECT PUBLIC REPORT BEFORE YOU CAN OFFER THEM FOR SALE.
- ☐ WARNING: WHEN YOU SELL YOUR ☐ TIME SHARE INTEREST ☐ TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF ☐ DEDICATIONS ☐ RESTRICTIONS, ARTICLES OF ☐ INCORPORATION, ☐ ASSOCIATION, THE BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEYS' FEES OR OTHER CHARGES, PROVIDED BY THE CC&R'S OR OTHER MANAGEMENT DOCUMENTS ON THE LOT OR UNIT AS OF THE DATE THE STATEMENT WAS ISSUED.

NOTE: IF YOU FORGET TO DO THIS, IT MAY COST YOU A PENALTY OF \$500.00 — PLUS ATTORNEY'S FEES AND DAMAGES (SEE CIVIL CODE SECTION 1368).

THE SUBDIVIDER MUST MAKE AVAILABLE TO YOU, COPIES OF THE ASSOCIATION GOVERNING INSTRUMENTS, A STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS AND RELATED CHARGES AS PROVIDED BY THE GOVERNING INSTRUMENTS AND, IF AVAILABLE, CURRENT FINANCIAL AND RELATED STATEMENTS (SEE BUSINESS AND PROFESSIONS CODE SECTION 11018.6).

☐ THIS PROJECT IS A COMMON-INTEREST SUBDIVISION OF THE TYPE REFERRED TO AS ☐ A TIME-SHARE USE ☐ TIME SHARE ESTATE ☐ _____

☐ IT WILL BE OPERATED BY _____

A NONPROFIT MUTUAL BENEFIT CORPORATION.

☐ FAILURE TO PAY THE ASSESSMENTS LEVIED BY THE TIME SHARE ASSOCIATION WILL PREVENT YOU FROM OCCUPYING AND USING THE TIME SHARE UNIT AND RESULT IN A LIEN ON YOUR INTEREST. IN THE EVENT OF ANY OTHER BREACH BY A TIME SHARE OWNER OF ANY OF THE PROJECT'S GOVERNING DOCUMENTS, THE TIME SHARE ASSOCIATION MAY, AFTER NOTIFYING THE TIME SHARE OWNER, SUSPEND SUCH OWNER'S RIGHT TO OCCUPY HIS UNIT.

LOCATION AND SIZE

❖ *Use for City only.*

☐ _____ is located at _____ ☐ and _____ within the city limits of _____. ☐ Prospective purchasers should acquaint themselves with the kinds of city services available.

❖ *Use for County only.*

☐ _____ is located in _____ ☐ County at _____ ☐ and _____ ☐ approximately _____ miles from _____.

❖ *Use for Single Phase Projects.*

This project includes ☐ _____ buildings containing

- | | |
|--|---|
| <input type="checkbox"/> _____ 3-bedroom unit(s) | <input type="checkbox"/> approximately _____ square feet in size; |
| <input type="checkbox"/> _____ 2-bedroom unit(s) | <input type="checkbox"/> approximately _____ square feet in size; |
| <input type="checkbox"/> _____ 1-bedroom unit(s) | <input type="checkbox"/> approximately _____ square feet in size; |
| <input type="checkbox"/> _____ studio unit(s) | <input type="checkbox"/> approximately _____ square feet in size; |
| <input type="checkbox"/> _____ room(s) | <input type="checkbox"/> approximately _____ square feet in size. |

☐ _____ garage(s), ☐ _____ carports, ☐ _____ open parking space(s) ☐ will be ☐ have been constructed. The common facilities, (*list common facilities*) _____

☐ will be ☐ have been constructed on the common area.

❖ ***Use for phased projects.***

☐ This is the _____ (*first, second, etc.*) phase of the project. It includes ☐ _____ buildings, containing

☐ _____ 3-bedroom unit(s) ☐ approximately _____ square feet in size;

☐ _____ 2-bedroom unit(s) ☐ approximately _____ square feet in size;

☐ _____ 1-bedroom unit(s) ☐ approximately _____ square feet in size;

☐ _____ studio unit(s) ☐ approximately _____ square feet in size;

☐ _____ room(s) ☐ approximately _____ square feet in size.

☐ _____ garage(s), ☐ _____ carports, ☐ _____ open parking space(s), and ☐ _____ ☐ will be
☐ have been constructed.

The common facilities, (*list common facilities*) _____

☐ will be ☐ have been constructed on the common area.

☐ This phase is part of a total project which, if developed as proposed, will consist of a total of ☐ _____ phases ☐ _____
increments, containing _____ ☐ lots ☐ units ☐ time share interests within the overall projected development.

☐ Additional common facilities consisting of ☐ _____
in the ☐ _____ phase ☐ _____ increment ☐ will be ☐ have been constructed. (For a Final Public Report, do
not include references to common facilities in future phases or increments unless they are completed or financially
assured.)

☐ There is no assurance that the total project will be completed as proposed.

☐ There are public areas consisting of _____

COMPLETION

❖ *Include if sponsor will not post a bond or alternative security for completion.*

☐ THE SPONSOR ESTIMATES ALL COMMON FACILITIES INCLUDING RESIDENTIAL STRUCTURES ☐ IN THE TOTAL PROJECT ☐ TIME SHARE OFFERING ☐ IN THIS PHASE ☐ WILL BE COMPLETED BY APPROXIMATELY _____ (DATE).

☐ THE SPONSOR ADVISES THAT NO ESCROWS WILL CLOSE UNTIL ALL ☐ COMMON FACILITIES, ☐ IMPROVEMENTS, ☐ RENOVATIONS, ☐ LANDSCAPING, AND ☐ ALL STRUCTURES ☐ ALL UNITS HAVE BEEN COMPLETED; ☐ TITLE TO FURNISHINGS HAS BEEN CONVEYED TO THE ASSOCIATION FREE AND CLEAR OF LIENS; ☐ FURNISHINGS HAVE BEEN LEASED TO THE ASSOCIATION; A NOTICE OF COMPLETION HAS BEEN FILED AND ALL CLAIM OF LIENS HAS EXPIRED OR A TITLE POLICY ISSUED TO ☐ EACH PURCHASER ☐ AND TO THE ASSOCIATION ☐ CONTAINING AN ENDORSEMENT AGAINST ALL CLAIM OF LIENS. (SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE AND REGULATION 2812.3.)

❖ *Use for RE 621.*

☐ NO ESCROWS WILL CLOSE FOR SALES OF TIME SHARE INTERESTS IN THIS SUBDIVISION UNTIL COMPLETION OF ALL COMMON AREAS AND FACILITIES OR AS AN ALTERNATIVE, THE SUBDIVIDER HAS SUBMITTED A BOND OR OTHER SECURITY ACCEPTABLE TO THE DEPARTMENT OF REAL ESTATE UNDER THE PROVISIONS OF SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE TO ASSURE LIEN-FREE COMPLETION OF ☐ ALL COMMON AREAS AND FACILITIES AND ☐ DWELLING UNITS IN ☐ THIS PHASE ☐ INCREMENT ☐ OF THIS TIME SHARE PROJECT.

❖ *Use if there is a bond or financial arrangement for completion.*

☐ THE SUBDIVIDER ☐ HAS POSTED ☐ WILL POST ☐ A BOND ☐ HAS MADE ☐ WILL MAKE ☐ FINANCIAL ARRANGEMENTS ☐ IN THE AMOUNT OF \$ _____ ☐ TO ASSURE COMPLETION OF COMMON AREA IMPROVEMENTS DESCRIBED IN THE "PLANNED CONSTRUCTION STATEMENT" ATTACHED TO THE ☐ BOND ☐ SECURITY INSTRUMENT.

CONVERSION

☐ This development is a conversion of an existing ☐ apartment ☐ hotel ☐ motel ☐ single-family dwelling ☐ other: _____

to time share use. The structure(s) ☐ was ☐ were completed in _____ (year).

☐ SECTION 1134 OF THE CIVIL CODE AFFECTS CONVERSION OF RESIDENTIAL DWELLINGS TO CONDOMINIUMS, STOCK COOPERATIVES OR COMMUNITY APARTMENT PROJECTS AND ITS PURPOSE IS TO REQUIRE THE SUBDIVIDER TO MAKE A WRITTEN DISCLOSURE OF DEFECTS IN 'MAJOR SYSTEMS' OF THE DWELLING OR IN THE ALTERNATIVE, A STATEMENT DISCLAIMING ANY 'MAJOR DEFECTS'.

THIS PROJECT IS NEITHER A CONDOMINIUM, A STOCK COOPERATIVE NOR A COMMUNITY APARTMENT CONVERSION. IT IS DOUBTFUL THAT SECTION 1134 IS APPLICABLE; HOWEVER, IT IS RECOMMENDED THAT YOU ATTEMPT TO OBTAIN A STATEMENT FROM THE SUBDIVIDER CONCERNING HIS KNOWLEDGE OF ANY DEFECTS IN THE MAJOR SYSTEMS BEFORE SIGNING A CONTRACT TO PURCHASE AN INTEREST IN THE PROJECT.

USES AND ZONING

❖ *Include only if adjacent land use is unusual or incompatible.*

☐ _____

_____.

INTERESTS TO BE CONVEYED

TIME SHARE ESTATES: You will receive ☐ fee title ☐ a lease ☐ a sublease to ☐ an undivided interest in ☐ a unit ☐ all the units ☐ a time share project.

TIME SHARE USE: You will receive a right to use agreement, for the use of ☐ a specified unit, ☐ one of a series of similar units, ☐ for a specified time ☐ at a time to be determined by a reservation system, ☐ within a specified season.

❖ *Use with a lease or right-to-use contract.*

☐ Transfer of interest to the purchaser will be by ☐ contract ☐ lease. Your rights and responsibilities are governed by its specified terms. You should read the entire ☐ contract ☐ lease.

☐ The ☐ contract ☐ lease includes the following provisions:

☐ You cannot assign or transfer the ☐ contract ☐ lease without the written consent of the ☐ association ☐ lessor.

☐ If you do not pay your installments on time, you may lose your time share interest and all money you have paid in.

☐ _____

_____.

You will be provided the right of exclusive occupancy of ☐ a specified unit, ☐ one of a number of similar units, ☐ for a specified period of time, ☐ for a time determined by a reservation system ☐ within a specified season of the year.

☐ The right of use and occupancy of a living unit for _____ will be by reservation.

COMMON FURNISHINGS: The Association will ☐ own ☐ lease the furnishings and other items of personal property in this project.

Your right to use them results from your membership in the Association.

❖ *Use in Final Public Reports if the common furnishings will be leased.*

☐ The term of the lease is _____ years, beginning on _____. The lease payment, payable by the Association of the lessor, is included in the Association's budget. Your share of the lease obligation is included in your assessment.

☐ Upon expiration or termination of the lease, the Association ☐ may ☐ must _____

_____.

☐ The lessor under the lease is the sponsor _____

_____.

TIME SHARE PROGRAM

This Public Report authorizes the sponsor to ☐ sell ☐ take reservations for _____

time share interests (_____ units x _____ weeks). Owners will have the right of exclusive occupancy of ☐ a specified unit ☐ one of a number of units of a specified type ☐ one of the units in the project ☐ during a pre-determined period of time ☐ for ☐ a period of time ☐ one week ☐ annually ☐ biennially ☐ determined by a reservation system ☐ within a designated season.

☐ One ☐ two week(s) per unit per year will be reserved for the exclusive use of the Association for maintenance and repair.

In order to understand the time share program, you should read the Declaration of ☐ Dedication ☐ Covenants, Conditions and Restrictions and the Rules and Regulations. The Declaration is the more important document because it sets forth a common scheme and plan for the use, enjoyment, repair, maintenance, restoration and improvement of this project and because your interests are subject to the Covenants, Conditions and Restrictions listed in them. The Rules and Regulations are subordinate to the Declaration, because the Declaration grants to the owners' associations the right to adopt, publish and enforce such Rules and Regulations. Therefore the Rules and Regulations must be consistent with the Declaration.

RESERVATION PROCEDURES

Your right to use a unit is on a first-reserved, first-served basis. You must make these reservations pursuant to the Rules and Regulations. The current Rules and Regulations provide _____

_____.

If you are delinquent in the payment of any amounts owed to the Association, or if your owners' rights have been suspended by the Association, you will not be permitted to occupy your assigned unit.

DUTY TO PAY ASSESSMENTS CONTINUES EVEN IF YOU ARE UNSUCCESSFUL IN RESERVING A UNIT.

You should consider that in a first-reserved, first-served program of this type, if all of the interests in all of the units are sold, if all of the owners desire to make a reservation for their full week, and if any use periods are not reserved, then some of the owners will be unable to use a unit.

HOWEVER, THIS CONSEQUENCE WILL NOT EXCUSE AN OWNER FROM HIS OBLIGATION TO PAY ASSESSMENTS TO THE TIME SHARE ASSOCIATION.

☐ CONDITIONS IF USER FAILS TO VACATE: IF ANY TIME SHARE OWNER FAILS TO VACATE A TIME-SHARED UNIT AT THE END OF THE USE PERIOD, OR PREVENTS ANOTHER TIME SHARE OWNER FROM USING OR OCCUPYING ANY TIME-SHARED UNIT DURING ANOTHER TIME SHARE OWNER'S USE PERIOD, SUCH OWNER (THE "DETAINING OWNER") SHALL:

- A. BE SUBJECT TO IMMEDIATE REMOVAL, EVICTION OR EJECTION FROM THE TIME-SHARED UNIT WRONGFULLY OCCUPIED;
- B. BE DEEMED TO HAVE WAIVED ANY NOTICE REQUIRED BY LAW WITH RESPECT TO ANY LEGAL PROCEEDINGS REGARDING REMOVAL, EVICTION OR EJECTION (TO THE EXTENT THAT SUCH NOTICES MAY BE WAIVED UNDER CALIFORNIA LAW);
- C. REIMBURSE THE TIME SHARE OWNER OTHERWISE ENTITLED TO USE THE TIME-SHARED UNIT FOR ALL COSTS AND EXPENSES INCURRED THAT THE OWNER, AS A RESULT OF SUCH CONDUCT, INCLUDING BUT NOT LIMITED TO COST OF ATTORNEYS' FEES INCURRED IN CONNECTION WITH REMOVING, EVICTING OR EJECTING THE DETAINING OWNER FROM SUCH TIME-SHARED UNIT; AND
- D. PAY TO THE TIME SHARE OWNER ENTITLED TO USE THE TIME-SHARED UNIT DURING SUCH WRONGFUL OCCUPANCY, AS LIQUIDATED DAMAGES, A SUM EQUAL TO 200% OF THE FAIR RENTAL VALUE PER DAY OF THE TIME-SHARED UNIT FOR EACH DAY OR A PORTION THEREOF, INCLUDING THE DAY OF SURRENDER, DURING WHICH THE DETAINING OWNER PREVENTS OCCUPANCY OF THE TIME-SHARED UNIT.

REIMBURSEMENT ITEMS C AND D ABOVE, MAY BE AVAILABLE TO THE INJURED PARTY THROUGH COURT ACTION.

BONUS USE

Subject to availability and all the terms and conditions contained in the Declaration and the Rules and Regulations, you have the right to use and occupy a unit during one or more additional time periods as Bonus Use, provided you have reserved such use and occupancy in accordance with the Rules and Regulations. Reservations made for Bonus Use shall be honored on a first-come, first-served basis.

If you reserve a unit for Bonus Use, you shall pay rental therefor, which rental shall be fixed from time to time by the Board of the Association. All rental revenues generated by Bonus Use of units shall be deposited in the operating account of the Association.

Your occupancy rights will include the use of the ☐ common areas, ☐ public areas to provide access to your unit and the use of the amenities and facilities within the project. Your use of the ☐ common ☐ public areas is limited strictly to the period in which the time share owner is in residence at his time share unit.

You will become a member of the _____ Time Share Owners Association, which will conduct the affairs of the time share program, including the reservation services, through directors elected by the time share owners.

MANAGEMENT AND OPERATION

The Association manages and operates the common area(s) in accordance with the Declaration of Dedication, Articles of ☐ Incorporation, ☐ Association, ☐ Bylaws, ☐ and the Rules and Regulations.

☐ Among other things, these documents provide:

Management of the time share project is under the direction and control of the _____

_____ Association, which is managed by a Board of Directors elected by the members. The Board of Directors, among other things, may employ an agent to manage and control the time share project, subject at all times to the direction by the Board with such administrative functions and powers as shall be delegated to said agent by the Board such as (a) supervision of the immediate management operation of the time share project; (b) maintenance and repair of the time share project; (c) lease, purchase, maintenance and replacement of furniture, fixtures and equipment; (d) employment, supervision and dismissal of such personnel as it deems necessary for the maintenance and operation of the time share project; (e) enter into contracts with others for the furnishing of such services as it deems proper for the time share project; (f) preparation of a proposed

budget and schedule of assessments for the time share project; (g) collection of all assessments and payment of all bills; (h) purchase of such insurance as is contemplated by the Declaration; and (i) custody and control of funds and maintenance of books and records and preparation of financial reports.

- ☐ The accounts of the _____ Association are subject to an annual audit.
- ☐ The Time Share Declaration provides that annually the Association shall compile a roster of the names, addresses and telephone numbers of each of the time share interest owners and shall, upon written request, furnish a time share owner with a copy of such roster.
- ☐ A list of the orders of business to be considered at the annual meeting of members of the _____ Association shall be distributed _____ prior to meeting date. The list shall include the name, address and brief biographical sketch, if available, of each member of the Association who has announced his/her intention to stand for election to the governing body.
- ☐ The minutes of a governing body meeting shall be distributed within 60 days after the meeting.

MANAGING AGENT

- ☐ The Association will engage the services of an agent for management of the project. This agent will assume many of the Association's duties. Control over this management agent is limited to the Association's ability to terminate the contract.
- ❖ ***Use if the managing agent is the sponsor or an entity controlled by the sponsor.***
- ☐ The initial management agent for the project will be _____
☐ the sponsor ☐ affiliated with the sponsor.
- ☐ The initial term of the employment agreement (contract) between the time share owners' association and the managing agent is ☐ 3 ☐ _____ years.
- ☐ This agreement, by its terms, may be terminated by the association at any time for cause.

MAINTENANCE AND OPERATIONAL EXPENSES

- ❖ ***Use for Preliminary Public Reports where budget has not been reviewed.***
- ☐ The sponsor has submitted a proposed budget for maintenance and operation of the time share project and for the creation of long-term reserves. The proposed budget has not been reviewed by the Department of Real Estate. It will be reviewed and is likely to be changed prior to issuance of the Final Subdivision Public Report. The sponsor now estimates that the ☐ average ☐ annual assessments against each time share interest will be \$_____ of which \$_____ is a monthly contribution to long-term reserves. THIS ESTIMATE MAY NOT BE ACCURATE. You should pay special attention to the budget information that will be set forth in the Final Subdivision Public Report before entering into a contract to purchase.
- ❖ ***Use if the budget has been approved.***
- ☐ The sponsor has submitted a budget for the maintenance and operation of the common areas and for long-term reserves. This budget was reviewed by the Department of Real Estate in _____ (month/year). You should obtain a copy of this budget from the sponsor. Under this budget, the ☐ prorated ☐ average ☐ annual assessment against each time share interest ☐ ranges from ☐ is \$_____ to \$_____ of which \$_____ is a monthly contribution to long-term reserves.
- ☐ This assessment ☐ includes ☐ does not include an allocation for real property taxes.

- ☐ Taxes will be billed separately by the county tax assessor.
- ☐ Taxes will not be billed separately by the county tax assessor. The association will advise you of your proportionate share of the tax obligation.
- ☐ IF THE BUDGET FURNISHED TO YOU BY THE SPONSOR SHOWS AN ASSESSMENT FIGURE WHICH IS MORE THAN 10% GREATER THAN THE ASSESSMENT AMOUNT SHOWN IN ☐ THE FINAL ☐ THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE.
- ☐ The association may increase or decrease assessments at any time in accordance with the procedure prescribed in the Declarations or Bylaws. In considering the advisability of a decrease (or a smaller increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

❖ ***Use first sentence only if budget has been reviewed.***

- ☐ THE BUDGET INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF BUDGET REVIEW AS SHOWN ABOVE. ☐ EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT ACCURATELY AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN THE COST OF LIVING.
- ☐ Assessments will commence on all time share interests on the first day of the month ☐ immediately following ☐ following the closing of the first sales of an interest or ☐ _____.
- ☐ The remedies available to the association against owners who are delinquent in the payment of assessments are set forth in the Declarations. These remedies are available against the sponsor as well as against other owners. (Commissioner's Regulation 2813.4.)

❖ ***Include as applicable.***

- ☐ THE SPONSOR MUST PAY ALL THE ☐ MONTHLY ☐ YEARLY ASSESSMENTS WHICH HE OWES TO THE ASSOCIATION FOR UNSOLD UNITS — THE PAYMENTS MUST COMMENCE ☐ IMMEDIATELY AFTER SPONSOR CLOSSES FIRST SALE ☐ ON THE FIRST DAY OF THE MONTH AFTER SPONSOR CLOSSES FIRST SALE. (COMMISSIONER'S REGULATIONS 2812.3 AND 2813.4.)
- ☐ The cost to repair any damage to the time share unit which occurs during a time share owner's use period and is caused by the intentional or negligent act or failure to act on the part of the owner, his family, guests or invitees, is the personal responsibility of the time share owner.
- ☐ In accordance with the provisions of Commissioner's Regulation 2812.3, the sponsor ☐ has posted ☐ must post ☐ a bond ☐ has deposited funds in escrow ☐ will deposit funds in escrow, ☐ has made ☐ will make ☐ financial arrangements ☐ as partial security for his obligation to pay these assessments. The governing body of the association should assure itself that the sponsor has satisfied his obligations to the association with respect to the payment of assessments before agreeing to a release or exoneration of the security.

SUBSIDY AGREEMENT

- ☐ The Time Share Declaration, provides that the sponsor may pay "subsidies" in lieu of paying assessments for each of the time share interests which it owns. Accordingly, the sponsor has entered into a written subsidy agreement with the Time Share Association. This agreement terminates when the sponsor sells the last time share interest ☐ in this phase ☐ in this project or earlier if the sponsor so elects. These subsidy payments, payable monthly to the Time Share Association, are to cover the difference between the actual costs incurred by the Time Share Association in operating the project and assessments which are payable by owners other than sponsor.

Subject to several exceptions, the Board of the Time Share Association should levy no special assessments during the term of this agreement, since it obligates the sponsor to pay all expenses which would otherwise require special assessments to be levied against all owners.

Upon termination of this subsidy agreement, the sponsor must commence paying assessments on each of the time share interests it owns. If the sponsor, at that time, owns more than 20% of the time share interests, the sponsor must obtain a bond to assure its payment of assessments. (Reg. 2712.3)

- ☐ THE SPONSOR IS OBLIGATED TO MAKE THE SAME REGULAR PAYMENTS TO THE RESERVE ACCOUNT OF THE ASSOCIATION FOR ALL RESERVES THAT EVERY OTHER OWNER IS OBLIGATED TO PAY.
- ☐ In accordance with the provisions of Commissioner's Regulation 2812.4, the sponsor ☐ has posted ☐ must post ☐ arrangements ☐ as partial security for his obligation under this agreement. The governing body of the association should assure itself that the sponsor has satisfied his obligations to the association with respect to the subsidy agreement before agreeing to a release or exoneration of the security.

TAXES

- ☐ The maximum amount of any tax on ordinary real property interest that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties the total tax rate could be well above 1.25% of the full cash value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the total tax. ☐ _____.

For the purchaser of a time share interest in this project, the "full cash value" of the time share interest will be the valuation, as reflected on the tax roll, determined by the county assessor as of the date of purchase of the time share interest or as of the date of completion of an improvement on the time share interest if that occurs after the date of purchase.

The _____ County Tax Assessor has advised that time share interests ☐ will ☐ will not be separately assessed and individually billed.

- ☐ The association will bill you for your prorated share of the project's total tax obligation. This amount ☐ is ☐ is not included in the assessment described under MAINTENANCE AND OPERATIONAL EXPENSES.

You should be aware that the possibility exists that whether the time share interests are assessed separately or whether all time share interests are collectively assessed, the assessed valuation may increase by a substantial amount.

If the interests are assessed separately, the individual bills will reflect this increase. If assessed collectively, the Association will pass on the tax increase to you, the time share interest purchaser, based on the amount of tax increase due to the purchase of the interest.

TITLE

- ❖ *No mention unless title is vested in someone other than applicant or in several applicants.*

- ☐ Title is vested in _____

- ☐ A title report shows title, among other things, to be subject to: (e.g., Restrictions or use not set forth in restrictions)

EASEMENTS

- ☐ Easements for ☐ utilities, ☐ planting, ☐ mail delivery, ☐ drainage,
☐ flood control, ☐ rights-of-way, ☐ building setbacks, ☐ anchor rights,
☐ sewers
and other purposes are shown on the ☐ Title Report and Subdivision Map ☐ to be ☐ recorded in the Office of
the _____ County Recorder, Book _____, ☐ of Maps, ☐ of Parcel Maps, pages
_____ thru _____, ☐ and Condominium Plan ☐ to be ☐ recorded _____
☐ as Instrument Number _____ on _____ (date), Book _____,
pages _____ thru _____.

RESTRICTIONS

- ☐ This project ☐ is ☐ will be subject to Restrictions ☐ to be ☐ recorded in the Office of the _____
County Recorder, ☐ Book _____, pages _____ thru _____ ☐ _____, on
_____ (date) as Instrument Number _____, ☐ amended, ☐ Book _____,
page(s) _____, which include among other provisions the following: _____

_____.

- ☐ FOR INFORMATION AS TO YOUR OBLIGATIONS AND RIGHTS, YOU SHOULD READ THE RESTRICTIONS. THE SPONSOR SHOULD MAKE THEM AVAILABLE TO YOU.

MINERAL RIGHTS

❖ *If mineral rights are reserved, briefly state conditions of the reservation.*

- ☐ You will not own the ☐ water, ☐ mineral, ☐ oil, ☐ and gas rights under the land ☐ below a depth of _____
feet. ☐ These have been reserved as ☐ per your grant deed ☐ follows: _____
_____. ☐ The right to surface entry has been waived.

❖ Use if there is a right to surface entry.

- ☐ You will not own the mineral, oil and gas rights under your land. The right to surface entry to extract minerals has not been waived by the owner of these rights. Unless otherwise restricted, the owner of mineral, oil and gas rights is entitled to enter your land to penetrate the surface to extract subsurface minerals. Because of the location of the subdivision, local zoning or other laws or Regulation may prohibit the owner from doing this. For further particulars, you should contact the building department of the city or county in which your property is located. When you purchase, you can request a "Homeowners Endorsement" to your policy of Title insurance which will insure against loss up to the amount of the policy, for damage to any owner-occupied residential structure then on the land, which damage results from the exercise of surface entry rights.

PURCHASE MONEY HANDLING

❖ Use in Final Public Reports.

In accordance with Sections

- | | | | |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> 11013 | <input type="checkbox"/> 11013.1 | <input type="checkbox"/> 11013.2(a) | <input type="checkbox"/> 11013.2(b) |
| <input type="checkbox"/> 11013.2(c) | <input type="checkbox"/> 11013.2(d) | <input type="checkbox"/> 11013.4(a) | <input type="checkbox"/> 11013.4(b) |
| <input type="checkbox"/> 11013.4(c) | <input type="checkbox"/> 11013.4(d) | <input type="checkbox"/> 11013.4(e) | <input type="checkbox"/> 11013.4(f) |

of the Business and Professions Code, ☐ and Section 2791.9 of the Commissioner's Regulations, all purchasers' funds

will be impounded in ☐ an escrow depository ☐ a trust account at _____,

_____, California, until legal title to a time share interest is delivered to the purchaser, except for such amount as the subdivider has covered by furnishing a bond to the State of California.

☐ No escrow may close in _____ until such time as _____ of the time-share interests close at substantially the same time.

☐ If the escrow has not closed on your time share interest within ☐ six (6) months ☐ within one (1) year of the date of escrow opening, you may request return of your deposit.

Note: Section 2995 of the Civil Code provides that: No real estate developer shall require as a condition precedent to the transfer of real property containing a single family residential dwelling that escrow services effectuating such transfer shall be provided by an escrow entity in which the developer owns or controls 5% or more of the escrow entity.

☐ THE SUBDIVIDER HAS AN INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF ☐ LOTS ☐ UNITS IN THIS SUBDIVISION.

☐ THE SUBDIVIDER HAS NO SUCH INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF ☐ LOTS ☐ UNITS IN THIS SUBDIVISION.

RESERVATION MONEY HANDLING

❖ Use in Preliminary Public Reports.

☐ If you reserve a time share interest, the subdivider must place all funds received from you in a neutral escrow at _____, subject to the conditions of the tentative reservation agreement.

DISTRICT ASSESSMENTS

☐ This project lies within the boundaries of the _____ District and is subject to any ☐ taxes ☐ assessments ☐ and obligations thereof.

❖ Use for Landscape Lighting Districts or County Service Areas.

☐ This subdivision lies with the boundaries of the _____
(CSA or LLD District Name) No. _____ and is subject to any taxes, assessments and obligations thereof.
This district was formed to provide _____
_____ (services).

The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for

these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of this Public Report, ☐ it is anticipated the projected 19____ – 19____ assessment for each residential unit within this development will be \$____ ☐ the 19____ – 19____ assessments is \$____. The administration of this district will be provided by _____.

❖ *Use for Community Facilities Districts.*

☐ This subdivision lies within the Community Facilities District No. _____ ☐ and _____ and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with ☐ a disclosure ☐ disclosures entitled, "Notice of Special Tax, Community Facilities District No. _____ County of _____, California" ☐ and _____ prior to a purchaser entering into a contract to purchase. ☐ This Notice contains ☐ These Notices contain important information about district functions, purchaser's obligations, right of the ☐ district, ☐ districts, and information on how to contact the ☐ district ☐ districts for additional materials. Purchasers should thoroughly understand the information contained in the ☐ Notice ☐ Notices prior to entering into a contract to purchase. ☐ This special tax appears ☐ These special taxes appear on the yearly property tax bill, and ☐ is ☐ are in addition to the tax rate affecting the property described above in the section entitled "TAXES".

☐ The buyer has five days after deliver of ☐ this notice ☐ these notices by deposit in the the mail, or three days after delivery of any notice in person, to terminate the sales agreement by giving written notice of that termination to the owner, subdivider, or agent selling the property.

CONDITIONS OF SALE

❖ *Use if sponsor offers financing.*

- ☐ Pursuant to Civil Code Sections 2956 through 2967, inclusive, sponsor and purchaser must make certain written disclosures regarding financing terms and related information. The sponsor will advise purchasers of disclosures he needs from them, if any.
- ☐ If your purchaser involves financing, a form of deed of trust and note and/or security agreement may be used. ☐ The provisions of these documents may vary depending upon the lender selected. ☐ These documents may contain the following provision(s):
- ☐ Acceleration Clause. This is a clause in a mortgage or deed of trust which provides that if the borrower (trustor) defaults in repaying the loan, the lender may declare the unpaid balance of the loan immediately due and payable.
 - ☐ Due-on-Sale Clause. If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically enforceable by the lender in the event of a sale of the property by

you. This means that the loan will not be assumable by a purchaser of the property without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the buyer. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of the property is higher than the interest rate of the promissory note by which you are financing the purchase of the property.

☐ A "Balloon Payment." This means that your monthly payments are not large enough to pay off the loan with interest during the period for which the loan is written and that at the end of this period, you must pay the entire remaining balance in one payment. If you are unable to pay the balance and the remaining balance is a sizeable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your time share interest, or pay off the balloon payment, you will lose your time share interest.

☐ A Late Charge. This means that if you fail to make your installment payment ☐ on or before ☐ within _____ days after ☐ the due date, you must, in addition, pay a penalty.

☐ Special Financing Arrangements: (describe method)

☐ BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL LOAN DOCUMENTS.

UTILITIES AND SERVICES

❖ *Use only if conditions appear inadequate or unusual.*

Fire Protection:

Soils:

Water:

Sewage Disposal:

Electric:

Gas: _____

Telephone: _____

STREETS AND ROADS

- ☐ The ☐ streets ☐ roads within this subdivision have been dedicated to and accepted by the ☐ city ☐ county for public use but not for maintenance.
- ☐ Vehicular access to the project is via public streets.
- ☐ The private streets within this ☐ subdivision ☐ project will be maintained by the owners' association. The costs of repair and maintenance of these private streets are included in the budget and are a part of your regular assessment.

GEOLOGIC CONDITIONS

- ❖ *Use if this is a newly constructed project.*
- ☐ THE UNIFORM BUILDING CODE, CHAPTER 70, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE SHAKING, RAPID EROSION OR SUBSIDENCE. THIS SUBDIVISION IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY CONTACT THE DEVELOPER, THE DEVELOPER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH CHAPTER 70 OR AN EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS SUBDIVISION.

DOCUMENTS TO BE PROVIDED TO YOU

THE SUBDIVIDER MUST MAKE AVAILABLE TO YOU, COPIES OF THE ASSOCIATION GOVERNING INSTRUMENTS, A STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS AND RELATED CHARGES AS PROVIDED BY THE GOVERNING INSTRUMENTS AND, IF AVAILABLE, A CURRENT FINANCIAL AND RELATED STATEMENTS (SEE BUSINESS AND PROFESSIONS CODE SECTION 11018.6).

- ☐ THE SPONSOR SHOULD FURNISH THE CURRENT BOARD OF DIRECTORS OF THE ASSOCIATION, THROUGH THE MANAGING AGENT, THE BUILDING PLANS OF THE AREAS OF THE ASSOCIATION'S RESPONSIBILITY TO INCLUDE DIAGRAMMS OF LOCATIONS OF MAJOR COMPONENTS, UTILITIES AND RELATED DATA. THESE ITEMS WILL BE IMPORTANT TO THE BOARD OF DIRECTORS OR THOSE WHO WILL MANAGE OR REPAIR COMMON FACILITIES IN THIS PROJECT.
- ☐ IF THE SPONSOR REFUSES TO FURNISH SUCH PLANS AND DIAGRAMMS, THE BOARD OF DIRECTORS OF THE ASSOCIATION SHOULD TRY TO OBTAIN THEM FROM THE CONTRACTORS WHO WORKED ON THE PROJECT OR FROM THE ☐ COUNTY ☐ CITY BUILDING DEPARTMENT.

- ❖ *Use if the sponsor will not furnish plans.*
- ☐ SINCE THE SPONSOR STATES THAT HE WILL NOT FURNISH THE SAID PLANS AND DIAGRAMMS, THE BOARD OF OFFICERS OF THE ASSOCIATION SHOULD TRY TO OBTAIN THEM FROM THE CONTRACTORS WHO WORKED ON THE PROJECT OR FROM THE ☐ COUNTY ☐ CITY BUILDING DEPARTMENT.

If you need clarification as to the statements in this Public Reports or if you desire to make arrangements to review the documents submitted by the sponsor which the Department of Real Estate used in preparing this Public Report, you may call:

Department of Real Estate, 2201 Broadway, Sacramento, California 95818, (916) 227-0810.

Deputy's Initials: _____ *Employee #:* _____